Increased in prices of coal

283. SHRI SHIVANAND TIWARI :
SHRI RAVI SHANKAR PRASAD :
Will the Minister of COAL be pleased to state :

(a) whether it is a fact that the prices of coal have been increased recently;

(b) if so, the extent to which coal prices have been increased and the additional amount of profit to be earned annually by Coal India Ltd. as a result thereof;

(c) whether Government has decided to invest this additional amount of profit in coal production sector so as to increase the production; and

(d) if so, the likely increase in coal production as a result thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI SHRIPRAKASH JAISWAL) : (a) and (b) Yes, Sir. Run of Mine (ROM) coal prices in all coal companies of Coal India Ltd. (CIL) other than Eastern Coalfields Ltd. (ECL) & Bharat Coking Coal Ltd. (BCCL) have been increased *w.e.f.* 16th October, 2009 by 10% for all grades of coal over the then existing prices and the increase in respect of coal produced by ECL and BCCL is 15%, except for the portion of Raniganj coal of grades A & B from such mines of ECL which are supplied under a Memorandum of Understanding (MOU) to specific consumers at special prices. The additional revenue expected to be generated from the price revision is about Rs. 4,629 crore per annum.

(c) and (d) The upward revision of coal price has been necessitated on account of increased wage bills arising out of execution of the National Coal Wage Agreement-VIII (NCWA-VIII) for workmen affective from 01.07.2006 and the revision of pay of executives as per the guidelines issued by the Department of Public Enterprises (DPE) effective from 01.01.2007. The coal production target for the year 2009-10 from CIL sources is 437.00 MT against actual of 403.73 MT during the year 2008-09. However, this likely increase in coal production is not related to the recent revision of coal prices.

Criteria to increase coal price

284. SHRI NAND KUMAR SAI : Will the Minister of COAL be pleased to state :

(a) whether Government has raised the coal prices in the year 2007;

(b) if so, the details thereof;

(c) the details of the criteria fixed by Government to increase the prices of coal;

(d) whether Government proposes a complete revamp in the existing criteria and allow entry of coal sector into a free trade zone; and

(e) if so, the details thereof and by when it is likely to be implemented?